

Title	Demonstrate and apply knowledge of the financial services regulatory, compliance, and advice process environment		
Level	4	Credits	15

Purpose	<p>This unit standard is for people working or intending to work in entry level or intermediate roles, under supervision, in a range of financial services roles, who need to demonstrate knowledge of and the ability to apply relevant aspects of the regulatory and professional conduct requirements of the sector.</p> <p>People credited with this unit standard are able to:</p> <ul style="list-style-type: none"> – outline and apply legislation, regulations, ethics, risk and compliance in a financial services context; and – outline the six step process for the provision of financial advice.
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Classification	Financial Services > Financial Services - Professional Practice
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Available grade	Achieved
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Guidance Information

- 1 This unit standard has been developed for learning and assessment on-job or off-job in a pre-employment context using a realistic simulation. Where this unit standard is completed in a pre-employment pathway or non-customer facing role, and evidence is provided by case study or simulation, an explanation of how or why particular activities or steps are performed can be used to support an assessor's judgement of competency.
- 2 This unit standard requires broad understanding of the requirements of the financial services sector. Detailed understanding requiring a level of expertise that is appropriate to an operational role in any specific sector is specified in unit standards 28202, 28203 and 28204, and is applied in unit standards 28197 and 28198.
- 3 References
 BS ISO 22222:2005 Personal Financial Planning;
 Consumer Guarantees Act 1993;
 Credit Contracts and Consumer Finance Act 2003;
 Fair Trading Act 1986;
 Financial Transactions Reporting Act 1996;
 KiwiSaver Act 2006;
 Privacy Act 1993;
 Securities Markets Act 1988;
 Trustee Act 1956;
 Trustee Amendment Act 1988;

industry codes of practice;
and all subsequent amendments and replacements.

4 Definitions

Predetermined guidelines – guidelines developed by product providers and/or organisations incorporating recommended usage and practice.

Legislation Matrix – a reference list of legislation, regulations, and codes of practice, including specific sections or areas that candidates need to be familiar with for the purposes of assessment against this unit standard. It is available at:

www.skills.org.nz/resources-for-training-providers.

5 Range

a Employed candidates are expected to be working within predetermined guidelines and this needs to be considered in the development of strategies, which may not be fully flexible.

b All activities and evidence presented for all outcomes and evidence requirements in this unit standard must comply with any policies, procedures, and requirements of the organisations involved; the standards of relevant professional bodies including codes of ethics; and any relevant legislative and/or regulatory requirements.

Outcomes and performance criteria

Outcome 1

Outline and apply legislation, regulations, ethics, risk and compliance in a financial services context.

Performance criteria

1.1 Outline key relevant provisions of applicable legislation, regulations and standards of professional ethical conduct identified in the legislation matrix, including appreciation of the need to recognise one's own limits of competence and the need to refer to others.

1.2 Outline relevant codes of practice, principles of professionalism and ethical conduct in relation to managing risk and compliance.

Range professional and ethical conduct includes but is not limited to – maintaining confidentiality, discharging one's duty of care, non-discriminatory practices, full disclosure where required of remuneration/fees and other conflicts of interest that may influence any recommendation, acting in good faith, only providing advice that is within one's field of competence.

1.3 Apply appropriate legislation and regulations to a range of standard situations of financial services provision.

Outcome 2

Outline the six step process for the provision of financial advice.

Performance criteria

- 2.1 Outline the six key steps in the industry standard BS ISO 22222:2005 *Personal Financial Planning* including a title for each step and description of the activities that occur during that step.

Range candidates are not expected to provide the level of detail that is contained in the formal ISO 22222 standard. They are expected to describe the process at a similar level to the many summarised forms that are published by local and international financial planning industry participants.

This unit standard is expiring. Assessment against the standard must take place by the last date for assessment set out below.

Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	18 June 2014	31 December 2023
Review	2	25 March 2021	31 December 2023

Consent and Moderation Requirements (CMR) reference	0003
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.